

INDIANA UTILITY REGULATORY COMMISSION 302 W. WASHINGTON STREET, SUITE E-306 INDIANAPOLIS, INDIANA 46204-2764 http://www.state.in.us/iurc/ Office: (317) 232-2701 Facsimile: (317) 232-6758

IN THE MATTER OF THE COMMISSION'S)	
INVESTIGATION, PURSUANT TO IC § 8-1-2-58)	
INTO THE TO STATUS OF THE TRANSFER)	ELLED
OF FUNCTIONAL CONTROL OF TRANSMISSIO	N)	FILED CAUSE NO. 42350 AUG 1 6 2004 INDIANA UTILITY REGULATORY COMMISSION
FACILITIES LOCATED IN INDIANA, BY)	
INDIANA MICHIGAN POWER COMPANY, D/B/A	.)	
AMERICAN ELECTRIC POWER, TO A REGIONA	AL)	
TRANSMISSION ORGANIZATION AND FOR)	
COMMISSION REVIEW OF THE TRANSFER)	
PURSUANT TO IC § 8-1-2-83.)	
		Consolidated Causes
IN THE MATTER OF THE PETITION OF)	
INDIANA MICHIGAN POWER COMPANY,)	
D/B/A AMERICAN ELECTRIC POWER FOR)	
APPROVAL TO TRANSFER FUNCTIONAL)	CAUSE NO. 42352
CONTROL OF TRANSMISSION FACILITIES)	
LOCATED IN INDIANA TO PJM)	
INTERCONNECTION, L.L.C.)	
PURSUANT TO IND. CODE § 8-1-2-83	j	•

You are hereby notified that on this date the Presiding Officers made the following entry in this Cause:

On September 10, 2003, the Indiana Utility Regulatory Commission ("Commission") issued an Order in this Cause, in which it approved the request of Indiana Michigan Power Company, d/b/a American Electric Power ("I&M") to transfer functional control of its transmission facilities, located in the state of Indiana, to PJM Interconnection, L.L.C. ("PJM").

In conditionally approving I&M's request, the Commission Recognized that, at the time of the Evidentiary Hearing in this proceeding, I&M had failed to demonstrate that it was prepared or fully able to transfer functional control of its transmission assets to PJM. Therefore, the Commission was unable to complete its public interest review regarding I&M's request. In order to monitor and evaluate I&M's efforts to fulfill certain outstanding requirements contained in our September 10, 2003 Order, the Commission required I&M to file an initial report ("Initial Report") with the Commission in November 2003, and a second report ("Second Report") in January 2004. The Second Report became necessary when I&M indicated in its Initial Report that it had not yet satisfied the conditions set forth in our September 20, 2003 Order.

Both I&M and PJM submitted an Initial Report and a Second Report to the Commission. In its Second Report, I&M indicated that it still had not completed the steps necessary for it to move forward with its integration into PJM. I&M further acknowledged that it had not yet satisfied the specific conditions contained in the Commission's Order in this Cause, and indicted that it may be necessary to provide an additional report to the Commission.

The Presiding Officers hereby find that AEP shall file a third report ("Third Report") with the Commission that specifically address each of the conditions identified in our September 10, 2003 Order. The Third Report shall be filed with the Commission on or before September 10, 2004.

IT IS SO ORDERED.

David W. Hadley, Commissioner

Scott R. Storms, Chief Administrative Law Judge

Date

Nancy E. Manley, Secretary to the Commission